

Date: May 6, 2013

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Kevin Dick, Director, Office of Economic and Workforce Development
Subject: Contract Amendment with Achievement Academy of Durham to provide Workforce Investment Act youth program elements services from July 1, 2013 – December 31, 2013.

Executive Summary

This memorandum outlines a recommendation to renew the current contract with Achievement Academy of Durham (AAD) from July 1, 2013 to December 31, 2013 and increase the amount of the contract in an amount to exceed \$42,000.00 to provide Workforce Investment Act (WIA) Youth program elements services for up to 25 WIA eligible youth in the Youth Employed and Succeeding (YES) program. Approval of this contract amendment will allow uninterrupted services to be provided to WIA youth beyond the existing contractual completion date (set to expire on June 30, 2013). The total contract amount will not exceed \$264,089.52 with this amendment (this is a cumulative amount that dates back to the beginning of the contract).

Recommendation

The Office of Economic and Workforce Development (OEWD) recommends that City Council authorize the City Manager to execute a contract amendment with Achievement Academy of Durham to provide uninterrupted youth program elements services from July 1, 2013 through December 31, 2013 and increase the amount of the contract in an amount not to exceed \$42,000.00 for a total contract amount not to exceed \$264,089.52.

Background

As a result of the Request for Proposals (RFP) that closed on April 16, 2010, the Durham Workforce Development Board (DWDB) at their May 27, 2010 board meeting, unanimously approved the RFP Review Panel and DWDB Executive Committee's recommendation that AAD be awarded a (new) contract to operate the YES program from July 1, 2010 to June 30, 2011, in an amount not to exceed \$69,044.52, renewable annually for up to two additional years based on performance and funding availability.

Service Delivery and Performance

AAD was awarded the contract to provide employment and training services for WIA eligible youth that included:

- . Leadership Development
- . Tutoring/Pre-GED
- . Alternative Secondary School Education/GED

At their May 26, 2011 meeting, the DWDB approved the Executive Committee's recommendation to renew a contract with AAD (year 2 of 3) for 7/1/2011 to 6/30/2012, in an amount not to exceed \$69,045.00 based on negotiated contract and availability of funds, to provide Youth Program Element Services. The Durham City Council approved this contract renewal with AAD at their June 20, 2011 meeting.

At their May 24, 2012 meeting, the DWDB approved the Executive Committee's recommendation to renew a contract with AAD (year 3 of 3) for 7/1/2012 to 6/30/2013, in an amount not to exceed \$84,000.00 based on negotiated contract and availability of funds, to provide Youth Program Element Services. The Durham City Council approved this contract renewal with AAD at their June 18, 2012 meeting.

After getting information from the state about the new data management system implementation schedule, staff has determined the need to extend the contract of AAD for up to 6 months. On July 1, the state will change the current data management system. We are not sure just how it will work and if all the problems of the new system will be worked out. Staff would like the current contractor to continue serving participants in order to allow time for any unanticipated problems to be addressed with the new system before a new contract takes effect. We will use the additional time to release a new RFP.

Participants served under the existing contract and services received from July 1, 2012 through March 31, 2013 have included:

Services*	
Pre-GED	15
GED	26
In Leadership Development (most youth receive in addition to another service)	39
TOTAL SERVED	40

**The 40 youth may be receiving one or more of the above services*

Issues and Analysis

AAD has contributed to the YES Program in being on pace to meet and/or exceed state performance goals for the previous year and helped the DWDB earn an additional \$50,000 in performance incentive funds (by meeting/exceeding all of the state youth goals) in PY11.

AAD's work in recruiting participants; providing sound and rational individual service strategies; and providing comprehensive guidance and counseling, and referrals; has helped the region achieve the following performance outcomes (based upon the Workforce Investment Act Common Measures):

Measure	Performance for PY 2011	Goal	Meeting Goal
Placement in Education or Employment	61.5%	61.2%	Exceeded Goal
Attainment of a Degree or Certificate	53.8%	41.5%	Exceeded Goal
Literacy and Numeracy Gain	48.1%	37.5%	Yes

The estimated funding amount \$84,000.00 would be for payments of up to \$1,429.20 per participant for Alternative Secondary Education; \$1,317.24 per participant for Leadership

Development; and \$1,319.88 per participant for Tutoring and Study Skills Instruction. Achievement Academy of Durham, Inc. has a proven track record of helping high school dropouts prepare for and receive GED's, improve their academic performance in the face of significant life challenges, such as criminal backgrounds and teen pregnancy, and enter post-secondary education.

Funding Considerations

- . The current contract with Achievement Academy of Durham is for \$84,000.00 and expires June 30, 2013. This contract resulted from the RFP that was released in March 2010 and awarded to AAD in May 2010, and is renewable annually (per the RFP and DWDB approval) for up to two additional years based on performance and funding availability;
- . OEWD determined that AAD met the performance under the FY12 contract, and has made a recommendation to the DWDB to extend the contract with AAD;
- . The DWDB is recommending to increase the amount of the contract with AAD in an amount not to exceed \$42,000.00 (for a total contract amount not to exceed \$264,089.52) to provide up to 25 WIA eligible youth with employment and training services in the YES program;
- . A contract extension with AAD will provide uninterrupted services to WIA eligible youth currently enrolled in the YES program.

Alternatives

The City Council could elect to not enter into and/or renew a contract with Achievement Academy of Durham, leaving the City without a provider of the services outlined in the background section for the YES program, and forcing the City to advertise for proposals or directly manage the program until a new provider is identified. If another provider is not identified through the RFP process, this would require the Office of Economic and Workforce Development to directly manage the program which is inconsistent with the language in the federal Workforce Investment Act that states that Workforce Investment Act services should be provided under contract or voucher.

The City Council could also elect to reduce the amount of the proposed contract extension with AAD, which could result in fewer services provided to WIA eligible youth and/or less youth being served under this contract from July 1, 2013 – December 31, 2013.

Financial Impact

Achievement Academy of Durham would be approved for payments of up to \$264,089.52. Funds for this contract will have no impact on the City of Durham General Fund. Funds for this contract are paid with WIA Youth dollars that are received by OEWD from the United States Department of Labor through the North Carolina Department of Commerce Division on Workforce Solutions to the City and the Durham Workforce Development Board.

SDBE Summary

An SDBE summary is inapplicable because no project-specific goals have been set and no SDBE's are involved in this item.

Attachments

Contract with Achievement Academy of Durham to Provide WIA Youth Services, 13 pages.